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THE MAGNAVOX COMPANY,
a Corporation, and
SANDERS ASSOCIATES, INC.,
a Corporation,

V.

Defendants.

Consolidated
Civil Actions
No. 74 C 1030
No. 74 C 2410

Plaintiffs, The Magnavox Company and Sanders Associates, Inc. (hereinafter "MAGNAVOX" and "SANDERS", respectively), through their undersigned attorneys and agents, hereby respond to interrogatories 15-18 served upon them by defendants The Seeburg Corporation of Delaware and Williams Electronics, Inc. (hereinafter "defendants") under the title "Defendants', The Seeburg Companies, Interrogatories to Plaintiffs Nos. 15-18". The answers supplied are based on information obtained from those employees of plaintiffs having knowledge of the relevant facts or the knowledge of plaintiffs' attorneys.

15(a). State whether or not any company, organization or individual has ever requested any kind of license under the patents in suit, or any other patents pertaining to video games owned by one of the plaintiffs, or under which the plaintiffs or one of them has the right to grant sublicenses, and the plaintiffs or one of them has refused to grant such a license.

(b). Unless the answer to Interrogatory 15(a) is unequivocally negative, supply the following information about each such event:

- (i) name and address;
- (ii) the dates of such request and its refusal;
- (iii) the patents under which licenses were sought;
- (iv) the reason or reasons for the refusal;
- (v) identify all persons known to plaintiffs to have knowledge of the events; and
- (vi) identify all documents known to plaintiffs which relate to each such event.

RESPONSE:

Plaintiffs object to interrogatory 15 insofar as it requests information concerning the licensing of patents granted by countries other than the United States as requesting information which is neither relevant to the subject matter of this action nor reasonably calculated to lead to the discovery of admissible evidence. As to United States patents, the parties further respond to this interrogatory in the following.

(a) MAGNAVOX has on occasion declined to consider the matter of granting sublicenses under the patents in suit.

(b) (A) (i) Bally Manufacturing Corporation
2640 Belmont Avenue
Chicago, Illinois 60618

(ii) November 27, 1972
December 12, 1972

(iii) Unspecified

(iv) MAGNAVOX had not yet had an opportunity to fully consider all the factors relating to the granting of sublicenses under the patents pertaining to video games.

(v) The identity of those persons is shown in documents previously produced for inspection by defendants.

(vi) These documents have already been produced for inspection by defendants.

(B) MAGNAVOX may have prior to Spring, 1976, declined to consider the matter of granting sublicenses to specific parties under the patents in suit for the manufacture and/or sale of home video games in the United States. Plaintiffs are presently unable to determine the identity of any parties, if any, that requested such a license prior to that date which request MAGNAVOX declined to consider. Thomas A. Briody, Esquire, is the person having the most knowledge concerning the possibility of such requests. Plaintiffs are presently unable to locate or identify any documents, if any, which relate to any such event.

16(a). State whether or not any agents, officers, or employees of Magnavox or Sanders have ever consulted or had any kind of discussion with each other or any other company about whether a license would or should not be granted to companies not a party to the consultations or discussions or about the terms, proposed or actual, of any such licenses.

(b). Unless the answer to Interrogatory 16(a) is unequivocally negative, supply the following information about each such event:

- (i) the companies and individuals involved;
- (ii) the date or dates on which each such event occurred and their location;
- (iii) identify all persons known to plaintiffs to have any knowledge of any such event;
- (iv) identify all documents known to plaintiffs which relate to each such event.

RESPONSE:

(a) Insofar as plaintiffs are presently able to determine, there have been no such consultations or discussions as to whether a licensee would or should not be granted to any specific third party not a party to the consultation or discussion. Thus, there have been no such consultations or discussions about the terms, proposed or actual, of any license which would or should not be granted to any specific third party.

(b) No response required.

17. To the extent it is known to plaintiffs, provide the following information separately for each of the years 1972 to the present, it being understood that plaintiffs may have to rely on information and belief with respect to some of the information sought;

(a) The number of units and the dollar value of these units of video games sold for the home market by each company known by plaintiffs to be in that business and provide the address of each such company.

(b) The number of units sold and the dollar value of those units of video games sold for the coin game market by each company known by plaintiffs to be in that business and provide the address of each such company.

(c) The number of units and the dollar value of those units of video games sold by Magnavox for the home market.

(d) The number of units and the dollar value of those units of video games sold by licensees of plaintiffs, or either of them, for the coin game market identifying each licensee and providing its address.

(e) The number of units and the dollar value of those units of video games sold by licensees of plaintiffs, or either of them, for the home market identifying each licensee and providing its address.

(f) Identify all persons known to plaintiff who have knowledge of the matters inquired about in this Interrogatory.

(g) Identify all documents known to plaintiffs which relate to the matters inquired about in this Interrogatory.

RESPONSE:

Plaintiffs object to interrogatory 17 insofar as it requests information concerning the sales of video games outside the United States as requesting information which is neither relevant to the subject matter involved in this action

nor reasonably calculated to lead to the discovery of admissible evidence. As to the sales of video games inside the United States, plaintiffs further respond to this interrogatory in the following.

(a), (b), (d) & (e). Plaintiffs have no firsthand knowledge of the information requested in paragraphs (a), (b), (d), and (e) of interrogatory 17 except as stated otherwise in the following. Plaintiffs further object to these paragraphs of interrogatory 17 insofar as they may require plaintiff to guess or otherwise speculate as to the information sought as requesting information which is neither relevant to the subject matter involved in this action nor reasonably calculated to lead to the discovery of admissible evidence. Plaintiffs do have knowledge of three publications which purport to provide estimates of much of the information here sought. The title of those publications, their dates and publishers are as follows:

"Consumer Microelectronics: Electronic Video Games"

Creative Strategies, Inc.
4340 Stevens Creek Boulevard
San Jose, California 95129
October, 1976

"The Coin Operated and Home Electronic Games Market"

Frost and Sullivan
106 Fulton Street
New York, New York 10038
June, 1976

"Semiconductor Industry Service", Section 2.6.8

Dataquest Incorporated
3000 Sand Hill Road
Menlo Park, California
February, 1976

Plaintiffs further have some information concerning the sales of Midway Mfg. Co. and Atari, Inc. revealed to plaintiffs during the negotiations leading to the settlement of these consolidated actions as to those parties. That information was disclosed to plaintiffs under agreements of confidence as representing confidential business information of the party disclosing it, and plaintiffs are thus unable to reveal it now.

(c) The information requested has previously been provided under a protective order in response to defendants' interrogatory 8.

(f) Plaintiffs object to paragraph (f) of this interrogatory insofar as it requires plaintiffs to identify all of its directors, officers, and/or employees having knowledge of the sales of MAGNAVOX as placing them under an undue and unnecessary burden to supply the requested information for no apparent gain. Plaintiffs are unable to specifically identify those personnel of other concerns in the business of selling video games who would be most knowledgeable on the sales of those concerns.

(g) Plaintiffs object to paragraph (g) of this interrogatory insofar as it requires plaintiffs to identify all of their documents reporting or otherwise relating to the sales of MAGNAVOX as placing them under an undue and unnecessary burden to supply the requested information for no apparent gain. Plaintiffs are unable to specifically identify those documents of other concerns in the business of selling video games which report or otherwise relate to the sales of those concerns.

18. To the extent that plaintiffs have not already furnished information to the Seeburg defendants about the following:

(a) Identify all licenses or sublicenses granted under the patents in suit or any other patents owned by either of the plaintiffs which pertain to video games.

(b) Identify all persons known to plaintiffs who have knowledge of such licenses or sublicenses and/or the negotiations leading up to them.

(c) Identify all documents which relate to such licenses or sublicenses.

RESPONSE:

Plaintiffs object to interrogatory 18 insofar as it requests information concerning licenses or sublicenses under patents of countries other than the United States as requesting information which is neither relevant to the subject matter involved in this action nor reasonably calculated to lead to the discovery of admissible evidence. As to licenses

or sublicenses under United States patents, plaintiffs further respond to this interrogatory in the following.

(a) The following parties have been granted sublicenses including some rights under the patents in suit:

E & P Electronic (HK) Ltd.

Epoch Company, Ltd.

Interton Electronic GmbH

N. V. Philips Gloeilampenfabrieken

Olympos Electronic Co. Ltd.

Promotors Limited

Radofin Electronics (Far East) Ltd.

Videomaster Ltd.

Y.S.A. Co. Ltd.

Industrie A. Zanussi, S.p.A.

Concept 2000 (HK) Ltd.

Sands Electronics Ltd.

Video Systems Ltd.

Jobenseng Electronic (HK) Ltd.

Kiyo Inc.

Sportel Ltd.

Phoenix International Inc.

Santron Electronics Co., Ltd.

Nintendo Co., Ltd.

Alpha Electronics (Pte.) Ltd.

(b) The identities of such persons insofar as it is known to plaintiffs are shown in the documents referred to in plaintiffs' response to paragraph (c) of this interrogatory.

(c) The documents sought to be identified and relating to the negotiations or other discussions leading up to the completion of the license agreements with the parties referred to in the response to paragraph (a) of this interrogatory will be produced pursuant to Rule (c), F.R.C.P., to the extent that the documents are not subject to a valid claim of attorney-client privilege or attorney work product.

May 17, 1977


Theodore W. Anderson


Attorneys for Plaintiffs
Neuman, Williams, Anderson & Olson
77 West Washington Street
Chicago, Illinois 60602
(312) 346-1200

Subscribed and sworn to before me this 17th day of
May, 1977, in Chicago, Illinois.


Notary Public

My Commission expires 8-31-80

The foregoing objections and contentions are asserted
or stated on behalf of plaintiffs by:


Theodore W. Anderson

Neuman, Williams, Anderson & Olson
77 West Washington Street
Chicago, Illinois 60602
(312) 346-1200